

Message Text

LIMITED OFFICIAL USE

PAGE 01 CANBER 05744 090846Z

21

ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 SP-02 USIA-06 AID-05 EB-07

NSC-05 CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01

CIAE-00 COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03

LAB-04 SIL-01 PA-01 PRS-01 /091 W

----- 055016

R 090714Z AUG 76

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 8712

INFO AMCONSUL BRISBANE

AMCONSUL MELBOURNE

USMISSION OECD PARIS

AMCONSUL PERTH

AMCONSUL SYDNEY

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

LIMITED OFFICIAL USE CANBERRA 5744

E.O. 11652: N/A

TAGS: ELAB, ECON, EGEN, AS

SUBJ: UNEMPLOYMENT -- NO IMPROVEMENT IN JULY

REF: CANBERRA 5005

1. JULY SAW NO IMPROVEMENT, AND A POSSIBLE MARGINAL WORSENING OF UNEMPLOYMENT IN AUSTRALIA. UNADJUSTED DATA RELEASED AUGUST 6 SHOWED JULY UNEMPLOYMENT AT 4.4 PERCENT OF THE WORK FORCE, COMPARED TO 4.35 PERCENT IN JUNE. UNEMPLOYMENT IN NEW SOUTH WALES (5.1 PERCENT) DISTINCTLY HIGHER THAN VICTORIA (3.9 PERCENT).

2. SEASONALLY ADJUSTED DATA, CURRENTLY REGARDED BY AUSTRALIAN BUREAU OF STATISTICS AS UNRELIABLE, SHOWED AN INCREASE FROM 4.9 PERCENT OF THE WORK FORCE IN JUNE TO 5.2 PERCENT IN JULY.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CANBER 05744 090846Z

3. VACANCY DATA SHOWED NO CHANGE IN ACTUAL UNFILLED VACANCIES, AND AN INCREASE OF 2.9 PERCENT ON AN ADJUSTED BASIS. AVERAGE OVERTIME WORKED ROSE FROM 2.5 HOURS PER EMPLOYEE IN MAY TO 2.6 HOURS IIN JUNE.

4. RELEASE OF THESE DATA FOLLOWS CLOSELY ON RELEASE OF SCATTERED PRODUCTION AND RETAIL SALES NUMBERS AT END OF JULY WHICH HAD TOUCHED OFF CERTAIN AMOUNT OF PREMATURE ECONOMIC OPTIMISM IN POLITICAL AND JOURNALISTIC CIRCULES. IN ADDITION, RELEASE OF THESE DATA FOLLOWS CLOSELY ON RELEASE OF SCATTERED PRODUCTION AND RETAIL SALES NUMBERS AT END OF JULY WHICH HAD TOUCHED OFF CERTAIN AMOUNT OF PREMATURE ECONOMIC OPTIMISM IN POLITICAL AND JOURNALISTIC CIRCULES. IN ADDITION, RELEASE COMES SHORTLY BEFORE CONCILIATION AND ARBITRATION COMMISSION DECISION, EXPECTED IN A FEW DAYS, ON WAGE INDEXATION FOLLOWING JUNE QUARTER 2.5 PERCENT CPI INCREASE. UNDER THESE CIRCUMSTANCES POLITICAL REACTION TO NEW EMPLOYMENT NUMBERS PREDICTABLY SHARP, WITH GOVERNMENT ATTRIBUTING DISAPPOINTING RESULTS TO EXCESSIVE WAGE DEMANDS AND OPPOSITION BLAMING EXCESSIVE CUTS IN GOVERNMENT SPENDING.

5. COMMENT: THE GOVERNMENT'S COMMENTS ARE UNDOUBTEDLY AIMED IMPORTANTLY AT THE CONCILIATION AND ARBITRATION COMMISSION'S PENDING DECISION. IN THE RECENTLY CONCLUDED HEARINGS THE GOVERNMENT HAS ARGUED FOR LIMITING INDEXATION TO 30 PERCENT OF THE RECENT CPI INCREASE, ON THE "PLATEAU" BASIS WHICH FURTHER LIMITS THE AMOUNT OF INCREASE GRANTED TO WAGES WHICH EXCEED THE NATIONAL AVERAGE. THE OPPOSITION ATTACK ON EXPENDITURE CUTS IS AIMED AT THE FY 77 BUDGET, WHICH THE TREASURER WILL INTRODUCE IN PARLIAMENT AUGUST 17. THE PRIME MINISTER AND THE TREASURER HAVE REPEATEDLY EMPHASIZED THAT THE PENDING BUDGET WILL SHARPLY REDUCE THE RATE OF GROWTH IN PUBLIC SPENDING AND INTRODUCE SPENDING CUTS IN SOME PROGRAMS. THE JUNE AND KULY UNEMPLOYMENT RESULTS MAY WELL ADD WEIGHT TO THE ARGUMENTS OF BOTH LABOR AND BUSINESS SPOKESMEN WHO HAVE BEEN ARGUING FOR A SECOND LOOK AT THE DEGREE OF TIGHTNESS TO BE INTRODUCED, ESPECIALLY IN THE PUBLIC WORKS SECTOR, OF THE FORTHCOMING BUDGET.
HARGROVE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: UNEMPLOYMENT, DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 09 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976CANBER05744
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760305-0780
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760873/aaaacit.tel
Line Count: 99
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 CANBERRA 5005
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 20 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 APR 2004 by BoyleJA>; APPROVED <14 SEP 2004 by KelleyW0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNEMPLOYMENT -- NO IMPROVEMENT IN JULY
TAGS: ELAB, ECON, EGEN, AS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006